

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Patricia A. Jansen,**  
Appellant,

**v.**

**Polk County Board of Review,**  
Appellee.

**ORDER**

**Docket No. 13-77-0171**

**Parcel No. 291/00065-176-000**

On February 4, 2014, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Appellant Patricia A. Jansen is self-represented. Assistant County Attorney David Hibbard is counsel for the Board of Review. Both parties participated by phone. The Appeal Board now having examined the entire record, heard the testimony, and being fully advised, finds:

***Findings of Fact***

Patricia A. Jansen is the owner of property located at 13400 Cedarwood Avenue, Clive, Iowa. The real estate was classified residential on the January 1, 2013, assessment and valued at \$428,300, representing \$64,300 in land value and \$364,000 in improvement value.

Jansen protested to the Board of Review claiming the property was inequitably assessed and assessed for more than authorized by law under Iowa Code sections 441.37(1)(a)(1) and (2). She asserted the correct value was \$346,185. The Board of Review denied the protest.

Jansen then appealed to this Board reasserting her claims.

The property record card indicates the subject is a two-story, single-family home built in 1989. It has 3689 square feet of above-grade living area. The full basement has 500 square feet of living-quarter finish. It also has two decks, a small open porch, and a three-car attached garage. The site is 0.460 acres.

Jansen listed four properties on her petition that she considered as equity comparables. The properties are located at 13211 Hickory Avenue, 13675 Lake Shore Drive, 13662 Lakeview Drive, and 13280 Sunset Circle. These properties are all two-story homes built between 1989 and 1994 with 3249 to 4075 square feet of above-grade living area. While these properties appear to be reasonably similar to the subject property, they have not recently sold. Nor did Jansen provide evidence of the properties' fair market values. Therefore, the information is insufficient evidence to support either an equity claim or a market value claim.

Jansen also provided ten additional properties; of these, four sold in 2012 and three sold in 2013. (Exhibits 4, 5, & 6). An equity analysis typically compares prior year sale prices (2012 sales) or established market values to the current year's assessment (2013 assessment) to determine an assessment/sales ratio; therefore, we only consider the 2012 sales for her equity claim. The following chart summarizes the properties that sold in 2012.

Address	Style	Size	Basement Finish	Year Built	Sale Price	Sale Date	2013 AV	Sale Ratio
Subject	2 Sty	3689	500	1989	N/A	N/A	\$428,300	
13420 Cedarwood Ave	2 Sty	3092	450	1989	\$320,000	Dec-12	\$385,700	1.21
13953 Lake Shore Dr	1 Sty/FA	3785	1150	1992	\$355,000	Mar-12	\$353,400	1.00
14152 Lake Shore Dr	2 Sty	4045	0	1995	\$443,620	Jun-12	\$443,600	1.00
13649 Lake Shore Dr	2 Sty	3386	1200	1991	\$415,000	Sep-12	\$433,100	1.04

Although the properties have some differences from the subject, we find them reasonably like the subject with similar utility, location, and appeal. The properties' assessment/sale ratios are between 1.00 and 1.21. A ratio over 1.00 is an indicator of over-assessment, whereas a ratio less than 1.00 is an indicator of under-assessment. This evidence suggests similar properties are assessed at market value, or slightly over-assessed.

The properties that sold in 2013 are summarized in the following chart.

Address	Style	Size	Basement Finish	Year Built	Sale Price	Sale Date
Subject	2 Sty	3689	500	1989	N/A	N/A
13361 Hickory Ave	2 Sty	3492	1500	1991	\$443,000	Sep-13
1634 NW 131st St	2 Sty	3062	450	1991	\$379,900	Sep-13
14000 Hawthorne Dr	2 Sty	2728	1000	1992	\$302,900	Jul-13

We hesitate to rely on late 2013 sales for a January 1, 2013, market value claim, as this information would not have been available at the time of assessment, and particularly during the Board of Review's session. Regardless, in this case Jansen did not adjust the sales for differences to determine the fair market value of her property; and therefore, we give them no consideration.

The remaining properties Jansen submitted, 1700 Cedarwood Circle, 13341 Sunset Circle, and 13281 Sunset Circle, have not recently sold; and we do not find them relevant for either an equity analysis or a market value claim.

Polk County Deputy Assessor Paul Humble testified for the Board of Review. He explained the comparison analysis of four comparable properties that were considered in the Board of Review Appraiser Analysis, completed by Appraiser Ramaekers. The four comparables indicate a range of value from \$376,191 to \$495,079 after adjustments. From within this range, the appraiser reconciled a value of \$433,810. However, we note that three of the four comparables had adjusted values less than \$415,000. The appraiser provided no explanation for why the final opinion of value was nearly \$20,000 higher than three of the adjusted sales. For this reason, we give this sales analysis no consideration.

Humble also testified that he examined all the two-story homes in the Country Club subdivision that sold in arm's-length transactions in 2012. (Exhibit A). He developed an assessment/sales ratio analysis of the properties and the median assessment/sales ratio was 101.48, which indicates properties are over-assessed by approximately 1.5%.

Humble then narrowed his analysis and focused on a sub-set of nine properties that were the most similar in size to the subject property. They ranged from 3253 to 4045 square feet of living area. Considering these nine sales the median assessment/sales ratio is 102.97, which indicates properties like the subject are over-assessed by nearly 3%. Because of this analysis, Humble believes the correct fair market value of the subject property is \$415,900.

### ***Conclusion of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). However, new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). "Market value" essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property shall be one hundred percent of its actual value. § 441.21(1)(a).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the*

*City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The six criteria include evidence showing

“(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

*Id.* at 711. The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of this actual value. *Id.* The *Maxwell* test may have limited applicability now that current Iowa law requires assessments to be at one hundred percent of market value. § 441.21(1). Nevertheless, in some rare instances, the test may be satisfied.

The assessment/sales ratio analysis of properties Jansen selected, as well as those chosen by the Board of Review’s witness, suggests the properties are all equitably assessed, but are typically over assessed.

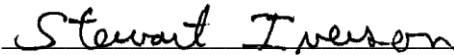
In an appeal alleging the property is assessed for more than the value authorized by law under section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property’s correct value. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). In this case, the assessment/sales ratios show a trend of over assessment for the comparable properties, and Humble agreed the subject property was over assessed and its fair assessment was \$415,900.

THE APPEAL BOARD ORDERS the assessment of the property located at 13400 Cedarwood Avenue, Clive, Iowa, is modified to a total value of \$415,900, as of January 1, 2013. The Secretary of the Property Assessment Appeal Board shall mail a copy of this Order to the Polk County Auditor and all tax records, assessment books and other records pertaining to the assessments referenced herein on the subject parcels shall be corrected accordingly.

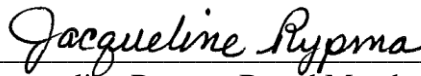
Dated this 28th day of February 2014.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Jacqueline Rypma, Board Member

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